

***Actuarial Valuation Summary***  
***October 1, 2005***

**SUMMARY OF VALUATION RESULTS****TABLE I**

	As of October 1, 2004	As of October 1, 2005
<b>1. Number of Members</b>		
a. Active Members	488	454
b. Deferred Vested Members	8	10
c. Retired Members:		
i. Non-disabled	360	395
ii. Disabled	61	60
iii. Beneficiaries	94	92
iv. Sub-total	<u>515</u>	<u>547</u>
d. Total Members	<u>1,011</u>	<u>1,011</u>
<b>2. Total Annual Compensation</b>	<b>\$32,725,380</b>	<b>\$31,259,918</b>
<b>3. Projected Payroll</b>	<b>\$33,870,768</b>	<b>\$32,354,015</b>
<b>4. Total Retired Member Benefits</b>	<b>\$25,854,121</b>	<b>\$29,403,465</b>
<b>5. Annual Cost</b>		
a. Present Value of Future Benefits	\$578,993,444	\$617,032,539
b. Present Value of Future Normal Cost	\$66,955,011	\$65,124,891
<i>City Portion</i>	<i>\$42,747,236</i>	<i>\$41,914,920</i>
<i>Member Portion</i>	<i>\$24,207,775</i>	<i>\$23,209,971</i>
c. Actuarial Accrued Liability (AAL)	\$512,038,433	\$551,907,648
d. Actuarial Value of Assets	(\$418,089,222)	(\$457,680,582)
e. Unfunded AAL (UAAL)	<u>\$93,949,211</u>	<u>\$94,227,066</u>
f. Normal Cost	\$9,805,838	\$9,668,948
g. Payment to Amortize Unfunded Liability	\$6,094,358	\$6,436,447
h. Service Buyback	\$1,524,185	\$1,779,471
i. Administrative Expenses	\$564,532	\$581,953
j. Total	<u>\$17,988,913</u>	<u>\$18,466,819</u>
k. Expected Member Contributions	\$3,387,077	\$3,235,402
l. Expected Share Plans Contributions	\$120,549	\$120,549
m. Estimated City Contributions	<u>\$14,481,287</u>	<u>\$15,110,868</u>
n. Total	<u>\$17,988,913</u>	<u>\$18,466,819</u>
<b>6. Annual Cost(as a % of Projected Payroll)</b>		
a. Total Required Contribution	53.11%	57.08%
b. Estimated Share Plans Contribution	0.36%	0.37%
c. Expected Member Contribution	10.00%	10.00%
d. Estimated City Contribution	42.75%	46.71%

City Pension Fund for Firefighters and Police Officers  
in the City of Miami Beach

October 1, 2005 (after assumption changes)

	<u>Police</u>	<u>Firefighters</u>	<u>Total</u>
<b>1. Participant Data</b>			
a. Active members:			
i. Number	292	162	454
ii. Total annual payroll	\$19,142,549	\$12,117,369	\$31,259,918
iii. Projected annual payroll	\$19,812,538	\$12,541,477	\$32,354,015
b. Retired members and beneficiaries:			
i. Number	286	201	487
ii. Total annualized benefit	\$15,696,777	\$10,884,308	\$26,581,085
c. Disabled members receiving benefits:			
i. Number	48	12	60
ii. Total annualized benefit	\$2,279,222	\$543,158	\$2,822,380
d. Terminated vested members:			
i. Number	9	1	10
ii. Total annualized benefit	\$205,981	\$29,711	\$235,692
<b>2. Assets</b>			
a. Actuarial value of assets	n/a	n/a	\$457,680,582
b. Market value of assets	n/a	n/a	\$483,180,441
<b>3. Liabilities</b>			
a. Present value of all future expected benefit payments:			
i. Active members:			
Retirement benefits	\$130,583,899	\$89,239,968	\$219,823,867
Vesting benefits	\$2,340,447	\$1,413,844	\$3,754,291
Disability benefits	\$9,062,338	\$5,568,456	\$14,630,794
Death benefits	\$4,991,315	\$3,128,157	\$8,119,472
Sub-total	\$146,977,999	\$99,350,425	\$246,328,424
ii. Terminated vested members	\$1,722,817	\$264,084	\$1,986,901
iii. Retired members and beneficiaries:			
Retired (other than disabled) and beneficiaries	\$195,025,494	\$136,341,385	\$331,366,879
Disabled members	\$30,015,946	\$6,309,037	\$36,324,983
Sub-total	\$225,041,440	\$142,650,422	\$367,691,862
iv. Member contributions (annuities & refunds)	\$634,263	\$391,089	\$1,025,352
v. Total present value of all future expected ben. pmts.	\$374,376,519	\$242,656,020	\$617,032,539

(continued)

October 1, 2005 (after assumption changes)

	<u>Police</u>	<u>Firefighters</u>	<u>Total</u>
b. Liabilities due and unpaid	\$0	\$0	\$0
c. Actuarial accrued liability	\$332,562,632	\$219,345,016	\$551,907,648
d. Entry Age Normal Unfunded actuarial accrued liability	n/a	n/a	\$94,227,066
e. Frozen Initial Liability	n/a	n/a	n/a
<b>4. Actuarial Present Value of Accrued Benefits</b> (please reference Table IV for details concerning the present value of accrued benefits)	<b>\$302,598,336</b>	<b>\$197,903,026</b>	<b>\$500,501,362</b>
<b>5. Pension Cost (as a % of projected payroll)</b>			
a. Normal cost (including administrative expenses):	31.44%	32.07%	31.68%
Dollar amount:	\$6,229,064	\$4,021,837	\$10,250,901
b. Payment to amortize unfunded liability	n/a	n/a	19.90%
Dollar amount:	n/a	n/a	\$6,436,447
c. Service Buyback	5.50%	5.50%	5.50%
Dollar amount:	\$1,089,690	\$689,781	\$1,779,471
c. Amount to be contributed by members	10.00%	10.00%	10.00%
Dollar amount:	\$1,981,254	\$1,254,148	\$3,235,402
d. Expected Share Plans Contributions	0.36%	0.40%	0.37%
Dollar amount:	\$70,669	\$49,880	\$120,549
d. Expected City Contribution	n/a	n/a	46.71%
Dollar amount:	n/a	n/a	\$15,110,868
<b>6. Past Contributions (For year ending September 30,2005)</b>			
a. Required Employer and State contribution	n/a	n/a	\$11,978,155
b. Actual contribution made by:			
i. Employer	n/a	n/a	\$11,857,606
ii. Members	n/a	n/a	\$4,982,579
iii. State (Share Plans)	n/a	n/a	\$120,549

(continued)

October 1, 2005 (after assumption changes)

	<u>Police</u>	<u>Firefighters</u>	<u>Total</u>
7. Net actuarial (gain)/loss	n/a	n/a	\$23,210,540
8. Other disclosures			
a. Present value of active members':			
i. Future salaries:			
at attained age	\$138,367,900	\$78,547,700	\$216,915,600
at entry age	n/a	n/a	n/a
ii. Future contributions:			
at attained age	\$14,805,365	\$8,404,606	\$23,209,971
at entry age	n/a	n/a	n/a
b. Present value of future contributions from City and State	\$27,008,522	\$14,906,398	\$41,914,920
c. Present value of future expected benefit payments for active members at entry age	n/a	n/a	n/a
d. Amount of active members' accumulated contributions	\$22,326,111	\$14,139,985	\$36,466,096